

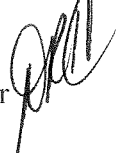



City of Loma Linda Official Report

Karen Gaio Hansberger, Mayor
Floyd Petersen, Mayor pro tempore
Robert Christman, Councilmember
Stan Brauer, Councilmember
Robert Ziprick, Councilmember

COUNCIL AGENDA:

TO: City Council

VIA: Dennis R. Halloway, City Manager 

FROM: W. James Hettrick, Director of Information Systems 

SUBJECT: Addendum to Memorandum of Understanding between California State University, San Bernardino Foundation and City of Loma Linda.

RECOMMENDATION

It is recommended that the City Council approve the Addendum to Memorandum of Understanding between California State University, San Bernardino Foundation and City of Loma Linda and execute payment to the Foundation for California State University, San Bernardino on behalf of ICTN in the amount of \$2,500 and to calendar annual payments of \$5,000 in July 2005 and July 2006. In addition, staff recommends the adoption of the expanded programming schedule of 8 a.m. to 11 p.m. Monday-Friday on the government access Channel 3 with the provision that the City can opt-out from carriage of programming whenever warranted.

SUMMARY

Proposed updated Agreement with the Foundation for California State University, San Bernardino will provide local cable subscribers on the city's Public/Educational/Government channel (channel 3) with locally originated programming focusing on regional interests and concerns for up to 15 hours per day. The flagship program is the Inland Empire's only weeknight television newscast, which devotes coverage to the City of Loma Linda and the 14 other municipalities that have chosen to affiliate with the regional cable television operation, Inland California Television Network (ICTN). In addition to news coverage, the City of Loma Linda receives a minimum of 765 on-air mentions for its involvement as a founding partner with ICTN. The three airings of the news each weeknight, including the rebroadcast on KVCR Channel 24 that reaches satellite and off-air viewers as well as cable, has a potential reach of 4 million viewers.

BACKGROUND

ICTN is established and managed by the Foundation for Cal State, San Bernardino in partnership with the City to interconnect cablecast capabilities of 15 San Bernardino County municipalities, thereby enhancing public information for Inland Empire residents. In November 2003, ICTN launched the region's only television news operation as a community service to a region historically under-served by locally televised public information. ICTN was built through funding directed to the university's Foundation to build its capacity for distance learning and electronically transferred information, as well as through corporate sponsorships and grants and contracts. No financial investment was required of the cities to build or launch the network, yet each city was apprised during the original MOU process that the university Foundation was looking for City support to market and promote ICTN.

After one year on the air, the university Foundation has learned that business sponsorships are not as robust as anticipated because potential underwriters often seek a return on their advertising dollars as opposed to sponsoring the news as a community service. In addition, the university Foundation did not receive significant numbers of referrals to sponsors identified and cultivated by the cities. The university Foundation continues to write grants, bid for contract work and seek sponsorships on behalf of ICTN. This activity, combined with a commitment from the university President to cover a portion of costs, means that nearly two-thirds of the \$1 million operation is supported by the Foundation's fund development activities. ICTN also has turned to cost-saving measures, reducing staff and expenses while preserving the quality of the news product.

Currently, ICTN is on-air from 9-11 p.m. Monday-Sunday. The expanded programming day, which was desired by some of the partnering cities before the launch, is an optional service offered to interested cities. The City of Loma Linda retains control over when to opt-in and out of the ICTN program schedule to accommodate City Council meetings and other uses the City may have for its government access channel.

ANALYSIS

The Addendum outlines a few changes. ICTN wish to charge \$.025 per resident for this service. ICTN will have automatic schedulers that allow the City to determine when ICTN content will be broadcast to our community. ICTN will broadcast more than just regional and local news.

FINANCIAL IMPACT

The university Foundation is seeking a fee-for-service of 25-cents per capita annually in order to continue production of the news, which is distributed to all television viewers (cable, satellite, off-air).. The university is willing to absorb the cost for the first half of the 04-05 fiscal year and pro-rate the fee for January-June 2005. Thus, the fee for six months would be \$2,500. A two-year commitment from July 2005-June 2007 will lock-in the fee-for-service and continue the local news carriage live first on the government access channels with additional replays on Channel 3 as well as KVCR Channel 24. Should the university Foundation discontinue the news service during this period, any unamortized portion of the fee-for-service will be returned to the City.

ADDENDUM TO MEMORANDUM OF UNDERSTANDING

BETWEEN

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO FOUNDATION

AND

[CITY]

1. In order to help sustain the delivery of televised local news service for the CITY and the greater Inland Empire region, the CITY shall contribute the equivalent of \$0.25 per resident annually to help the UNIVERSITY FOUNDATION fund the delivery of live, local news Monday-Friday evenings on the Inland California Television Network (ICTN). The CITY will receive recognition for its support on every newscast, 255 times per year. In the event that other cities in the ICTN partnership do not participate in the fee for service, the UNIVERSITY FOUNDATION agrees that CITY and other municipal affiliates of the network will not be required to make up the difference in the fee schedule. Moreover, should the UNIVERSITY FOUNDATION discontinue the ICTN News service, it will return the remaining balance of fees to the CITY.
2. The CITY may cooperate with the UNIVERSITY FOUNDATION and ICTN to make available an expanded, designated network schedule at agreed-to time slots every day on its Public, Education and/or Government channel for programming produced for regional viewership and coordinated by ICTN.

[Monday through Sunday from 8 a.m. to 11 p.m., year around, as much as is needed for available programming; and possible additional programming during other hours of the day to be determined by CITY]

3. The designated time slots, identified in paragraph 2, will insure that all viewers will have access to the same programming virtually at the same time, except when, in a given city's discretion, local cablecasts take precedence over UNIVERSITY FOUNDATION programming. In so doing, the member cities will continue to foster the regional cable television network known as ICTN.

By signing below, the UNIVERSITY FOUNDATION and CITY manifest their agreement to all of the foregoing provisions of this Agreement.

CALIFORNIA STATE UNIVERSITY,
SAN BERNARDINO FOUNDATION

THE CITY OF _____

By: _____

by: _____

Its _____

Date: _____

Its _____

Date: _____